

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Superseal Manufacturing NJ

New Jersey Manufacturing Extension Program

Lean Strategic Transformation Enables Superseal Manufacturing to Grow Business, Reduce Costs

Client Profile:

Superseal Manufacturing Company, Inc., is a New Jersey-based manufacturer of windows for distributors located in the town of South Plainfield. Joe Vespa, Sr., founded Superseal Manufacturing in 1980 in Brooklyn, New York. Today, he shares ownership of the company with his sons, Joe Jr. and Ron. Employing between 400 and 500 workers, depending on the time of year, Superseal generates approximately \$40 million in annual sales.

Situation:

In 2001, Superseal was carrying huge inventories and achieving less than 50 percent on-time delivery to its clients. Owner Joe Vespa, Jr., had grown concerned with the possibility of losing customers. A cold call from the New Jersey Manufacturing Extension Program (NJMEP), a NIST MEP network affiliate, followed by an introductory letter from NJMEP Field Agent Lorna Runkle, set in motion a process improvement project that would allow Superseal to increase sales, add jobs, invest in equipment, improve its workforce, and reduce costs.

Solution:

NJMEP's comprehensive Lean Strategic Transformation Plan, implemented at Superseal in 2003 with assistance from Rich Reale of CMS/Positive Impact, entailed Team Building, Administrative Lean, 5S Workplace Organization, Set-up Reduction, Cellular Manufacturing, Pull-Kanban and regular follow-up support for continuous improvement. Michael Ghizzone, Superseal's General Manager responsible for manufacturing, initiated new work procedures and Lean Manufacturing techniques that challenged old, established ways. "As a growing company, we realized we had to change our methods and Lean Manufacturing was the only way for us to achieve our goals," said Ghizzone. "NJMEP was our steering mechanism and helped us along each step of implementation." Procedures were standardized, tasks were organized for optimum safety and efficiency, and people and materials were combined for greatest effectiveness. "The implementation process was hard and the culture had to be changed," noted Ghizzone. Individual workstations and the overall workplace were better organized to minimize unnecessary movement and travel, increase ergonomic safety and eliminate uncertainty or confusion regarding item location, a stock-out situation or knowing what part to produce next. The result was a more efficient, self-regulating and worker-managed operation. Teamwork was promoted through participatory decision-making and cross training. Capitalizing on employees' active interest in sports, management devised sports-themed quality circles, documented work procedures in a 'playbook' and designated meetings as 'huddles.' The company launched a suggestion system encouraging employees to voice their ideas and concerns, allowing more direct interaction with superiors. Adherence to other Lean principles enabled Superseal to minimize cash investment through inventory reduction, from raw materials to finished products, and gain control of the flow through production based on actual consumption, small lots, management by sight and improved communication. The

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company improved response to customers through quick changeover and ensuring better quality at the source. "The impact of each method exceeded what we felt would happen," said General Manager Ghizzone. "The Kanban systems we put in place reduced our inventory by 50 percent. The 5S and one piece flow method increased our production by 30 percent," he continued. "Our customers and the bottom line are seeing the impact!"

Throughout implementation of the Lean Strategic Transformation Plan, training and other services provided through NJMEP, Superseal employees at all levels demonstrated commitment to improvement, on both an individual and company-wide scale. According to Ghizzone, "NJMEP's training team made it simple enough for everyone to understand and created the desire we needed." Participation was crucial at all levels, from the strong, focused support of ownership and management to the involvement and dedication of employees in learning new procedures and processes. While training is ongoing, Superseal already has quantifiable results from its combined efforts with NJMEP. Window production in the 1850 line has grown from 350 to almost 500 daily, an increase of nearly 43 percent. On-time delivery has improved by at least 50 percent. Existing customers have been retained and new customers added. Superseal has achieved \$3 million in increased sales and \$1.5 million in retained sales. 50 jobs have been retained and 20 new jobs added. \$535,000 in cost savings has helped the company to invest \$1.2 million in equipment and another \$100,000 in workforce improvement. Field Agent Runkle notes that Superseal managed to implement the aforementioned improvements within a year, "half the time required by most clients," says Runkle. She attributes these results to the principal's commitment to improve, and to set an example to all employees to accept and manage change, qualities that are tough to find in most traditional family businesses.

Superseal will undertake future training under the NJDOL customized training grant, using NJMEP as the lead agency and service provider. The company's plans include further Lean training, organization development, language skills (both English and Spanish) and computer training. NJMEP will also be working to help Superseal claim more tax credit for its R&D activities. Field Agent Runkle first visited Superseal in June 2001 and remained in contact with the company while various managers and supervisors attended the Lean workshop through November 2002. She provided ongoing support and direction--at no charge--through Lean 101 and Value Stream Mapping (VSM). In return, Superseal signed on for NJMEP to provide a Lean Transformation package. Runkle offers continued guidance to the company through advice and access to information, local public officials and NJDOL Customized Training grants.

Results:

- * Promoted a more efficient, self-regulating and worker-managed operation.
- * Increased production by 43 percent.
- * Improved on-line delivery by 50 percent.
- * Retained existing customers and added new ones.
- * Increased sales by \$3 million.
- * Retained sales at \$1.5 million.
- * Retained 50 jobs.
- * Added 20 new jobs.
- * Realized cost savings of \$ 535,000.

Testimonial:

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"NJMEP coached us along and made it easier each step. Our employees are becoming more self-sufficient, and now our management team is stepping back and the employees are implementing all of the techniques. NJMEP as a whole made our company self-sufficient in the implementation of future 5S and Kanban kaizens. We will continue going forward with NJMEP and learn more techniques that are necessary for us to be the benchmark in our industry."

Michael Ghizzone, General Manager